SCOTT BRUUN
STATE REPRESENTATIVE
DISTRICT 37
HOUSE OF REPRESENTATIVES

November 19, 2007

Mr. Kevin Martin, Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Media Docket 07-42

Dear Mr. Chairman:

I am writing to bring to the FCC's attention a programming matter with respect to our local Comcast cable system that my constituents have brought to my attention.

Comcast recently acquired rights to our Portland NBA team for a new regional sports network. Although our NBA team used to be available on "analog basic" service via Fox Sports Northwest, Comcast is now forcing customers on its Portland system to upgrade to a more expensive "digital basic" tier. Comcast is also demanding that other cable systems and satellite carriers serving the area carry the new regional network on broadly available must-buy tiers. Thus far, because there have been few takers for the network at Comcast's price, Comcast may in effect have obtained exclusive programming for its cable system – which could have the effect of stifling video competition in the Portland market.

Comcast's strategy to extract more revenue from its customers is even more blatant in connection with its offering of the NFL Network – a channel of great interest to my constituents. That channel is only being offered on a special "pay-extra" sports tier for which customers will have to pay roughly $5.99_per month on top of their "digital basic" bill of $52 per month. I understand that Comcast's wholesale cost for the channels in this "pay-extra" package is less than $2.50 per month, meaning that Comcast profits by about $3.50_ per month for every subscriber who pays retail for this "pay-extra" tier.

The theme underlying the treatment given to these various channels seems to be that channels Comcast owns get broader distribution, while those that Comcast does not own get moved to less widely-available and more expensive tiers – usually in ways that will force consumers to pay more to get what they want. Channel carriage and tiering decisions thus appear to be made on the basis of Comcast's revenue and profit potential, rather than on the appeal to consumers, the quality, or the ratings of the channels and their programs. These Comcast practices are not in the best interest of Portland, West Linn or Tualatin consumers – my constituents.

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I understand that the FCC has a pending rulemaking proceeding (Media Docket 07-42) in which it is considering possible rule changes so that carriage disputes like the ones involving NFL Network and various cable carriers can get resolved more quickly and in a consumer-focused manner, with the ultimate decisions based on the market value of the programming and not whether a cable company owns it. We urge the FCC to adopt the proposals made by Hallmark and NFL Network in that proceeding to establish a generally available binding arbitration remedy to help all independent programmers deal with cable operators. We understand that commencement of binding arbitration has successfully driven negotiated resolutions of certain disputes in which the FCC has ordered such a remedy on a stand-alone basis.

Although it is my belief that more than the an arbitration remedy will be needed to deal with cable company abuses such as those we have seen here, the remedy is at least a good start towards pro-competitive changes to the cable industry that will enhance diversity of views among the channels delivered to consumers, and that ultimately will be in the best interest of my constituents.

Sincerely,

Scott Bruun

SCOTT BRUUN
State Representative